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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/709,819	05/31/2004	Manushantha Sporny	DIG001	3818
<div>7590 06/13/2007 DIEDERIKS & WHITE LAW, PLC 12471 Dillingham Square, #301 Woodbridge, VA 22192</div>			<div>EXAMINER SHERR, CRISTINA O</div>	
			<div>ART UNIT 3621</div>	<div>PAPER NUMBER</div>
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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

DETAILED ACTION

1. This communication is in response to the application filed May 31, 2004. Claims 1-20 are presented for examination.

Information Disclosure Statement

2. The information disclosure statement (IDS) submitted on May 31, 2004 is in compliance with the provisions of 37 CFR 1.97. Accordingly, the examiner is considering the information disclosure statement.

Specification

3. The abstract of the disclosure is objected to because the numerous changes make reading it exceedingly difficult. Correction, in the form of a clean copy, is required. See MPEP § 608.01(b).
4. The specification has not been checked to the extent necessary to determine the presence of all possible minor errors. Applicant's cooperation is requested in correcting any errors of which applicant may become aware in the specification.

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-20 are rejected under 35 U.S.C. 103(a) as being unpatentable over Stefik et al (US 5,638,443).

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7. Regarding claim 1 –

Stefik discloses a computing system using a plurality of data processors and a communication network to sell a plurality of merchantable work by way of a digital transaction, comprising: (a) a user database composed of a plurality of user accounts for indexing a plurality of participants on said communication network, (b) a merchantable work database composed of a plurality of merchantable works for indexing said merchantable works on said communication network, (c) a plurality of buyer data processors connected to said communication network, (d) a plurality of seller data processors connected to said communication network, (e) a search database composed of a plurality of merchantable works with pricing information offered by said seller data processors for indexing all available said merchantable works for sale on said communication network, (f) a verification authority consisting of a plurality of trusted data processors for performing searches for said merchantable works and processing sales between said participants connected to said communication network, whereby said seller data processor can register said merchantable works associated with a physical file with said search database via said verification authority, and whereby said seller data processor can register pricing information for said physical file associated with said merchantable work via said verification authority, whereby said buyer data processor can search for said merchantable works on said communication network via said verification authority, and whereby said buyer data processor can purchase a merchantable work from said seller data processor via said verification authority which distributes payment into each participant account associated with said transaction, and

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whereby a file representing said merchantable work is transferred from said seller data processor to said buyer data processor during said transaction, and whereby said buyer data processor may re-sell said physical file representing said merchantable work on said communication network by operating as said seller data processor (e.g. col 3 ln 50- col 4 ln 31).

8. Stefik does not use the same wording as the instant application, e.g. “merchantable works” vs. “composite digital works”. However, mere changes in wording do not confer patentability. Further, it would be obvious to one of ordinary skill in the art to adapt Stefik to obtain the application in order to provide for greater security in digital rights and for permanently attaching rights to digital works.

9. Regarding claim 2 –

Stefik discloses a computing system further comprising: (a) a seller database composed of a plurality of seller accounts for indexing sellers connected to said communication network, (b) a buyer database composed of a plurality of buyer accounts for indexing buyers connected to said communication network, (c) a payee database composed of a plurality of payee accounts for indexing payees connected to said communication network, whereby the roles of said participants on the network may be identified via the database they are contained within (e.g. col (e.g. fig. 2 showing multiple repositories).

10. Regarding claim 3 –

Stefik discloses a computing system of claim 2 wherein said file representing said merchantable work is accompanied with an internally embedded (watermarked), digitally signed, receipt of sale containing identifying information for said buyer data

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processor and said seller data processor, whereby said buyer is incentivized not to re-distribute said file via another communication network (e.g. col 3 ln 63-67).

11. Regarding claim 4 –

Stefik discloses a computing system of claim 3 wherein said file representing said merchantable work is encrypted during transmission to the buyer data processor while said seller data processor uploads a decryption key for the encrypted file to said verification authority, whereby said buyer data processor must pay said seller data processor before accepting said decryption key 9E.G. COL 7 LN 1-10).

12. Regarding claim 5 –

Stefik discloses a computing system of claim 4 wherein said physical file representing said merchantable work is cleared of previous said receipt of sale before a current receipt of sale is embedded, whereby said buyer data processor is incentivized to re-distribute said file as said seller data processor via a compatible communication network (e.g. col 22 ln 36-42).

13. Regarding claim 6 –

Stefik discloses a computing system of claim 5 wherein said file associated with said merchantable work is an audio file (e.g. col 5 ln 50-53).

14. Regarding claim 7 –

Stefik discloses the computing system of claim 5 wherein said file associated with said merchantable work is a video file (e.g. col 5 ln 50-53).

15. Regarding claim 8 –

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Stefik discloses a computing system of claim 5 wherein said file associated with said merchantable work is a binary executable computer program (e.g. col 5 ln 50-53).

16. Regarding claim 9 –

Stefik discloses a computing system of claim 5 wherein said file associated with said merchantable work is a an electronic book. (e.g. col 5 ln 50-53).

17. Regarding claim 10 –

Stefik discloses a computing system of claim 5 wherein said file associated with said merchantable work is a visual image or picture. (e.g. col 5 ln 50-53).

18. Regarding claim 11 – 20 –

Claims 11-20 are rejected under the same criteria as above.

19. Examiner's note: Examiner has cited particular columns and line numbers in the references as applied to the claims above for the convenience of the applicant.

Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may be applied as well. It is respectfully requested from the applicant, in preparing the responses, to fully consider the references in entirety as potentially teaching all or part of the claimed invention as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion


20. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Cristina Owen Sherr whose telephone number is 571-

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272-6711. The examiner can normally be reached on 8:30-5:00 Monday through Friday.

21. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew J. Fischer can be reached on 571-272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

22. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


Cristina Owen Sherr
Patent Examiner, AU 3621


JALATEE WORJLOH
PRIMARY EXAMINER